



U.S. House Committee on **ENERGY & COMMERCE**

Joe Barton

Chairman, R-Texas

Federal Energy Price Protection Act of 2006

The Federal Energy Price Protection Act, to be introduced by U.S. Rep. Heather Wilson, R-N.M., prohibits price gouging—at any time—in the market for gasoline, diesel fuel, crude oil, home heating oil and biofuels.

- Directs the FTC to define “price gouging,” “wholesale sale” and “retail sale” through rule-making.
 - ✓ The existing state statutes in this area have vastly different definitions and interpretations.
 - ✓ Under a rulemaking, the FTC would have the benefit of receiving, and the obligation to consider, comment from interested parties on the definition of price gouging.
 - ✓ Directs the FTC to define price gouging within six months of enactment.
- Provides for strong civil enforcement by the FTC ***and*** by states’ attorneys general, and criminal enforcement by the U.S. attorney general and the Department of Justice.
- Provides for civil penalties for price gouging.
 - ✓ For “wholesale sale” violations, the penalties are three times the ill-gotten gains of the seller, plus an amount not to exceed \$3 million per day of a continuing violation.
 - ✓ For “retail sale” violations, the penalties are three times the ill-gotten gains of the seller.
 - ✓ Requires any civil penalty imposed to be deposited into any either account or fund used for paying compensation to consumers for violation of state consumer protection laws or into a state’s treasury general fund.
- Provides for criminal penalties.
 - ✓ “Wholesale” violations will be punishable by a fine of up to \$150 million, imprisonment for up to two years, or both.
 - ✓ “Retail sale” violations will be punishable by a fine of no more than \$2 million imprisonment for up to two years, or both.